



**Terms Sheet dated 27 April 2021 for 5 Year
Fixed Rate Medium Term Notes due 4 May 2026**

This terms sheet (**Terms Sheet**) sets out the key terms and conditions applicable to the notes referred to in this Terms Sheet (the **Notes**). This Terms Sheet should be read in conjunction with the deed poll dated 18 October 2007, as amended from time to time, including most recently on 1 July 2019 (**Deed Poll**).

Unless the context otherwise requires, capitalised terms used in this Terms Sheet have the same meanings given to them in the Deed Poll.

Important Notice

This offer of Notes by ASB Bank Limited (**ASB**) is made in reliance upon the exclusion in clause 19 of schedule 1 of the Financial Markets Conduct Act 2013 (**FMCA**).

The Notes have identical rights, privileges, limitations and conditions (except for the interest rate and maturity date) as ASB's medium term notes maturing on:

- 26 May 2021 with a fixed interest rate of 4.245% per annum, which are currently quoted on the NZX Debt Market under the ticker code ABB040;
- 24 February 2022 with a fixed interest rate of 4.20% per annum, which are currently quoted on the NZX Debt Market under the ticker code ABB060;
- 7 September 2023 with a fixed interest rate of 3.31% per annum, which are currently quoted on the NZX Debt Market under the ticker code ABB070; and
- 19 August 2024 with a fixed interest rate of 1.83% per annum, which are currently quoted on the NZX Debt Market under the ticker code ABB080,

(together, the **Quoted Notes**).

Accordingly, the Notes are the same class as the Quoted Notes for the purposes of the FMCA and the Financial Markets Conduct Regulations 2014 (**FMCR**).

ASB is subject to a disclosure obligation that requires it to notify certain material information to NZX Limited (NZX) for the purpose of that information being made available to participants in the market and that information can be found by visiting www.nzx.com/companies/ABB.

The Quoted Notes are the only debt securities of ASB that are currently quoted on the NZX Debt Market and in the same class as the Notes. Investors should look to the market price of the Quoted Notes referred to above to find out how the market assesses the returns and risk premium for those notes.

Issuer	ASB. ASB is a registered bank in New Zealand under the Reserve Bank of New Zealand Act 1989. ASB is not authorised as a bank or authorised deposit-taking institution in Australia under the Banking Act 1959.		
Lead Manager	Commonwealth Bank of Australia (ABN 48 123 123 124) (CBA).		
Form	Unsecured unsubordinated medium term notes to be issued pursuant to the Deed Poll.		
Instrument type	Fixed rate notes.		
Tenor	5 years.		
Status	The obligation to repay principal of, and interest on the Notes, will be a direct unsecured unsubordinated obligation of ASB and will rank equally with all other unsecured unsubordinated obligations of ASB, except indebtedness preferred by law.		
No guarantee	ASB is solely responsible for paying interest on, and for the repayment of, the Notes. The Notes are not deposit liabilities or protected accounts of CBA for the purpose of the Australian Banking Act and are not guaranteed or insured by CBA, any other member of the CBA Group (which includes CBA and its subsidiaries), any other person, government, government agency or compensation scheme. CBA does not guarantee ASB.		
Purpose	General business purposes.		
Credit Rating		Long Term Credit Rating	Expected Issue Rating
	Standard & Poor's	AA- (Negative Outlook)	AA-
	Moody's	A1 (Stable Outlook)	A1
	Fitch	A+ (Stable Outlook)	N/A
A rating is not a recommendation by any rating organisation to buy, sell or hold Notes. The above ratings and outlooks are current as at the date of this Terms Sheet and may be subject to suspension, revision or withdrawal at any time by the assigning rating organisation. More			

	information on these ratings is contained in ASB's latest full year disclosure statement - see "Other information" below.
Issue Amount	Up to NZ\$100,000,000, with the right to accept unlimited over-subscriptions at ASB's discretion.
Principal Amount	NZ\$1.00 per Note.
Issue Price	Par (NZ\$1.00 per Note).
Minimum application and minimum holding	NZ\$5,000 and in multiples of NZ\$1,000 thereafter.
Offer process and applications	<p>All of the Notes have been reserved for clients of the Lead Manager, NZX participants, and other approved financial intermediaries and will be allocated to those persons by ASB in consultation with the Lead Manager. A list of NZX participants can be found on https://www.nzx.com/investing/find-a-participant.</p> <p>Retail investors should contact the Lead Manager or their financial advisor for details of the application process for Notes as there is no public pool for the Notes.</p> <p>Applications for Notes must be lodged with the Lead Manager by 10am on the Closing Date.</p> <p>ASB reserves the right to accept unlimited over-subscriptions at its discretion and to refuse all or any part of an application without giving any reason. If ASB refuses your application, ASB will refund your subscription money (without interest) within 5 Business Days of the Issue Date.</p>
Opening Date	Tuesday, 27 April 2021
Closing Date	10am, Thursday, 29 April 2021 or earlier at the sole discretion of ASB.
Interest Rate Set Date	Thursday, 29 April 2021 or earlier at the sole discretion of ASB.
Issue and Allotment Date	Tuesday, 4 May 2021
Expected date of initial quotation and trading on the NZX Debt Market	Wednesday, 5 May 2021
Maturity Date	Monday, 4 May 2026
Dates may change	<p>The above dates are indicative only and are subject to change. ASB may, in its absolute discretion and without notice, open or close the offer early, accept late applications, and extend the Closing Date. If the Closing Date is extended, the Issue Date, the expected date of initial quotation and trading of the Notes on the NZX Debt Market, the Interest Payment Dates and the Maturity Date may be extended accordingly. Any such changes will not affect the validity of any applications received.</p> <p>ASB reserves the right to cancel the offer and the issue of the Notes, in which case all application monies received by ASB will be refunded (without interest) as soon as practicable.</p>
Interest Rate	The Interest Rate will be equal to the sum of the Reference Rate plus the Margin (which may be above or below the indicative margin). The Interest Rate will be announced by ASB on or about the Interest Rate Set Date.
Reference Rate	The Reference Rate (as defined in the Deed Poll) on the Interest Rate Set Date being the average of the bid and offered swap rates displayed on the Bloomberg Professional Service page reference "ICNI" (or its successor page) for an interest rate swap with a term approximately equal to the period from the Issue Date to the Maturity Date, or as otherwise determined in accordance with the Deed Poll.
Margin	The percentage that will be added to the Reference Rate in order to arrive at the Interest Rate. The final Margin may be above or below the indicative margin.
Indicative margin	The indicative margin is 0.55-0.60 percent per annum.
Interest payments	Semi-annually in arrears in two equal payments.
Interest Payment Dates	4 May and 4 November of each year up to and including the Maturity Date, with the first Interest Payment Date being 4 November 2021 (adjusted in accordance with the Business Day Convention – see below).
Business Day Convention	If an Interest Payment Date is not a Business Day, the Interest Payment Date will be the next Business Day, unless that day falls in the next calendar month in which case it will be the first preceding Business Day.
Day Count Fraction	RBNZ Bond Basis (ie one divided by the number of Interest Payment Dates in a year).
ISIN	NZABBDG005C5
Record Date	10 days before the Interest Payment Date or, if not a Business Day, the immediately preceding Business Day.

Business Days	A day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Auckland and Wellington.
Quotation	ASB intends to apply to NZX for permission to quote the Notes on the NZX Debt Market and will take any necessary step to ensure that the Notes are, immediately after issue, quoted. NZX ticker code ABB090 has been reserved for the Notes. NZX is a licensed market operator, and the NZX Debt Market is a licensed market, under the FMCA.
Further Issues	ASB may, from time to time, without the consent of Noteholders, issue further notes so as to form a single class with the Notes. ASB may also undertake further borrowings or offers of debt securities, without the consent of Noteholders, on such terms and conditions as ASB may from time to time determine, and while any Notes remain outstanding.
Transfer Restrictions	ASB will not register any transfer of Notes if the transfer is for a Principal Amount of less than NZ\$1,000 or a multiple thereof or if the transfer would result in the transferor or the transferee holding or continuing to hold Notes with an aggregate Principal Amount of less than NZ\$5,000, unless the transferor would then hold no Notes. ASB will only register a transfer of Notes in, to or from Australia if the transfer complies with the Australian selling restrictions set out below.
Trading of Notes on NZX Debt Market	To be eligible to trade the Notes on the NZX Debt Market, an investor must have an account with a NZX participant, a Common Shareholder Number (CSN) and an Authorisation Code (FIN). If an investor does not have an account with a NZX participant, opening an account can take a number of days depending on the NZX participant's new client procedures. An investor will receive a holding statement from the Registrar within 5 Business Days of the initial date of quotation or settlement of any trades, which will also include a CSN. If an investor does not have a FIN, it is expected that one will be sent as a separate communication by the Registrar. If an investor has an account with an NZX participant and has not received a FIN by the date the investor wants to trade Notes, the NZX participant can arrange to obtain the FIN from the Registrar. The NZX participant may be charged for requesting a FIN from the Registrar and may pass this cost on to the investor.
Registrar	Computershare Investor Services Limited. The Notes will be accepted for settlement within the NZClear system.
Repayment of Principal Amount	ASB will repay the Principal Amount of the Notes on the Maturity Date.
Early Redemption	Noteholders have no right to require ASB to redeem their Notes prior to the Maturity Date. No call or optional redemption events are applicable to the Notes.
Events of Default	If an Event of Default occurs (as defined in clause 14.1 of the Deed Poll), a Noteholder may, by notice to ASB declare all of the Notes held by that Noteholder to be due and payable on the next Business Day after service of the notice unless, prior to that date, ASB has cured or otherwise made good all Events of Default subsisting prior to that date. The Events of Default are described in the Deed Poll. In summary, these include: <ul style="list-style-type: none"> • if ASB does not pay any interest on the Notes within 14 days of the due date; or • if ASB becomes insolvent, or applies for, consents to, or suffers the appointment of a liquidator or receiver of ASB or any of its assets or undertakings, or ASB enters into any arrangement or composition with or for the benefit of its creditors. If the Notes are declared due and payable prior to the Maturity Date, interest will be payable at the Interest Rate from the most recent Interest Payment Date to and excluding the date of repayment.
Repo-Eligibility	Application will be made to the Reserve Bank of New Zealand for the Notes to be included as eligible securities for domestic market operations.
Governing law	New Zealand
Approved issuer levy	ASB proposes to register the Notes for approved issuer levy (AIL) and, where it is eligible to do so in respect of interest to which non-resident withholding tax applies, to pay AIL in lieu of deducting non-resident withholding tax, unless the Noteholder notifies the Registrar (and the Registrar gives its consent) that non-resident withholding tax should be withheld. If the Notes qualify for the 0% rate of AIL, ASB intends to apply the 0% rate. Any AIL paid by ASB other than at the 0% rate will be deducted from the interest paid to the relevant Noteholder. ASB is not eligible to pay AIL in respect of interest paid on a Note where the Note is held jointly and at least one of the joint Noteholders is a New Zealand tax resident. Withholding tax will be deducted from such interest at the applicable resident rate, as required by law. Non-resident Noteholders may then claim a refund from Inland Revenue to the extent that tax was withheld in excess of their applicable non-resident withholding tax rate (taking into account any applicable double tax treaty).
Resident withholding tax	New Zealand resident withholding tax (RWT) will be deducted from interest paid to New Zealand tax resident Holders at the relevant rate unless the Holder has RWT exempt status.

	ASB will not pay any further amounts on account of such deductions of RWT or otherwise reimburse or compensate the relevant Noteholder.
FATCA	<p>FATCA means the Foreign Account Tax Compliance Act provisions, sections 1471 through 1474 of the United States Internal Revenue Code (including any regulations or official interpretations issued, agreements entered into or non-US laws enacted with respect to those provisions). If a Noteholder is a US taxpayer or, in some cases, a non-US entity with substantial US owners, then in order to comply with FATCA, it is possible that ASB (or, if Notes are held through another financial institution, such other financial institution) may be required to request certain information from that Noteholder or the beneficial owners of the Notes, which information may in turn be provided to the Inland Revenue Department and/or the Internal Revenue Service (IRS). Depending on when the IRS publishes certain FATCA related regulations, ASB may also be required to withhold US tax on some portion of payments in relation to Notes at a future date if such information is not provided or if payments are made to certain foreign financial institutions that have not entered into an agreement with the IRS (and are not otherwise exempt from, or deemed to comply with, FATCA).</p> <p>If ASB is required to make any deduction or withholding in connection with FATCA, ASB will not pay any further amounts on account of such deduction or withholding or otherwise reimburse or compensate the relevant Noteholder.</p> <p>This information is based on regulations and guidance issued by the US Department of Treasury and the IRS as at the date of this Terms Sheet. Future regulations, guidance or international agreements implementing the same may affect the application of FATCA to ASB, Noteholders or beneficial owners of the Notes.</p>
Common Reporting Standard	<p>Common Reporting Standard (CRS) is a global framework for the collection, reporting, and exchange of financial account information about people and entities investing outside of their tax residence jurisdiction. If a Noteholder is a non-New Zealand tax resident or, in some cases, an entity with non-New Zealand tax resident controlling persons, then in order to comply with CRS, it is possible that ASB (or, if Notes are held through another financial institution, such other financial institution) may be required to request certain information from that Noteholder or the beneficial owners of the Notes, which information may in turn be provided to the Inland Revenue Department and/or a non-New Zealand tax authority.</p>

Other Information

Confirmation

By purchasing the Notes an investor will be taken to agree to be bound by the terms of the Deed Poll and this Terms Sheet.

Investors should obtain advice

Investors should seek qualified independent financial and taxation advice before deciding to invest. In particular, you should consult your tax adviser in relation to your specific circumstances. Investors will also be personally responsible for ensuring compliance with relevant laws and regulations applicable to them (including any required registrations).

Reference Rate rateset

ASB participates in the Reference Rate (as defined in the Deed Poll) rateset process.

ASB will also manage its interest rate risk arising from the transaction to which this Terms Sheet relates, which may involve hedging activities prior to, on, or after the time of the Reference Rate rateset.

ASB has controls in place to ensure any potential conflicts of interest arising from such participation and interest rate risk management are appropriately managed.

Documentation

Information about ASB is contained or referred to in ASB's latest interim and full year disclosure statements (which contain ASB's most recent financial statements). Investors can obtain a copy of ASB's latest disclosure statements free of charge at any branch of ASB or from www.asb.co.nz/legal/disclosure-statements.html. Additionally, ASB is subject to regular reporting and disclosure obligations under the NZX Listing Rules. Copies of documents lodged by ASB with the NZX are available free of charge on the NZX website.

Information on the Quoted Notes with ticker code ABB040 is contained in ASB's quotation notice dated 30 August 2016. Investors can obtain a copy of the quotation notice from www.nzx.com/companies/ABB/announcements/288147. Information on the Quoted Notes with ticker code ABB060 is contained in ASB's quotation notice dated 22 February 2017. Investors can obtain a copy of the quotation notice from www.nzx.com/announcements/297234. Information on the Quoted Notes with ticker code ABB070 is contained in ASB's quotation notice dated 5 September 2018. Investors can obtain a copy of the quotation notice from <https://www.nzx.com/announcements/323423>. Information on the Quoted Notes with the ticker code ABB080 is contained in ASB's quotation notice dated 13 August 2019. Investors can obtain a copy of the quotation notice from <https://www.nzx.com/announcements/339046>.

An investor may obtain a copy of this Terms Sheet and the Deed Poll, free of charge, on request, during normal business hours from the Registrar at the address set out below.

Amendments to the Deed Poll

The Deed Poll may be amended without Noteholders' consent in certain limited circumstances, including where such amendment is: of a minor or technical nature; necessary to comply with any law or the NZX Listing Rules; not, in ASB's opinion, likely to have a materially adverse effect on ASB or to be or become materially prejudicial to the general interests of Noteholders. See section 15 of the Deed Poll for further details on ASB's ability to amend the Deed Poll. Amendments made in accordance with the Deed Poll are binding on Noteholders even if they did not agree to them.

Indemnity

By purchasing the Notes, each Noteholder agrees to indemnify ASB in respect of any loss, cost, liability or expense sustained or incurred by ASB as a result of the breach by the Noteholder of the selling restrictions set out below.

Selling Restrictions

This Terms Sheet only constitutes an offer of Notes to retail investors in New Zealand and to certain New Zealand and overseas institutional investors. Neither ASB nor the Lead Manager has taken or will take any action which would permit a public offering of the Notes, or possession or distribution of any offering material in respect of the Notes, in any country or jurisdiction where action for that purpose is required (other than New Zealand). The Notes may only be offered for sale, sold or delivered in compliance with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered.

Any information memorandum, product disclosure statement, circular, advertisement or other offering material in respect of the Notes may only be published, delivered or distributed in compliance with all applicable laws and regulations (including those of the country or jurisdiction in which the material is published, delivered or distributed).

Set out below are specific selling restrictions that apply to an offer of the Notes in Australia, Hong Kong, Japan, Korea, Singapore and the United Kingdom and certain countries in the European Economic Area (the **EEA**). These selling restrictions do not apply to an offer of the Notes in New Zealand.

These selling restrictions may be modified by ASB and the Lead Manager, including following a change in a relevant law, regulation or directive. Persons into whose hands this Terms Sheet comes are, and each Noteholder is, required by ASB and the Lead Manager to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver the Notes or have in their possession or distribute such offering material, in all cases at their own expense.

By subscribing for Notes, Noteholders agree to indemnify ASB, the Lead Manager and their respective directors, officers, employees and agents in respect of any loss incurred as a result of you breaching the selling restrictions.

Australia

This Terms Sheet has not been, and no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (**Corporations Act**) in relation to the Notes has been or will be, lodged with the Australian Securities and Investments Commission (**ASIC**), the ASX Limited, or any other stock exchange or trading facility licensed under the Corporations Act.

The Notes may only be offered (directly or indirectly) for issue, applications may only be invited for the issue, the Notes may only be transferred in, or into, Australia, and any prospectus or any other offering material or advertisement relating to the Notes may be only be distributed or published in Australia if:

- (a) the aggregate consideration payable by each offeree, invitee or transferee (as the case may be) is at least A\$500,000 (or its equivalent in an alternate currency, in either case, disregarding moneys lent by the offeror, inviter or transferor or their respective associates (as defined in the Corporations Act)); and
- (b) the offer or invitation (including any resulting issue) or transfer does not:
 - (i) require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act; or
 - (ii) constitute an offer or invitation or transfer to a "retail client" as defined for the purposes of section 761G of the Corporations Act; and

such action complies with any other applicable laws, regulations or directives in Australia (including, without limitation the financial services licensing requirements of the Corporations Act) and does not require any document to be lodged with ASIC, ASX Limited or any other regulatory authority in Australia.

Prohibition of Sales to EEA Retail Investors

This document has not been, and will not be, registered with or approved by any national securities regulator in the EEA. Accordingly, this document may not be made available, nor may the Notes be offered for sale, to any retail investor in the EEA. For the purposes of this provision the expression **retail investor** means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, MiFID II); or
- (b) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Prohibition of sales to UK Retail Investors

No Notes have been offered, sold or otherwise made available, nor may the Notes be offered, sold or otherwise made available to any retail investor in the United Kingdom. For the purposes of this provision the expression **retail investor** means a person who is one (or more) of the following:

- (a) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); or
- (b) a customer within the meaning of the provisions of Financial Services and Markets Act 2000, as amended (the **FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Other regulatory restrictions

Neither this Terms Sheet nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the FSMA) has been published or is intended to be published in respect of the Notes.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Notes has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to ASB.

All applicable provisions of the FSMA with respect to anything it in relation to any Notes in, from or otherwise involving the United Kingdom has been and will be complied with.

Hong Kong

The Notes (except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the **SFO**) have not been offered or sold, and will not be offered or sold in Hong Kong, other than (i) to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the **C(WUMP)O**) or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Notes has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the **FIEA**). Accordingly, the Notes may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Korea

ASB is not making any representation with respect to the eligibility of any recipients of this Terms Sheet to acquire the Notes under the laws of Korea, including, without limitation, the Foreign Exchange Transaction Act and regulations thereunder. The Notes have not been, and will not be, registered under the Financial Investment Services and Capital Markets Act of Korea and therefore may not be offered or sold (directly or indirectly) in Korea or to any Korean resident (as such term is defined in the Foreign Exchange Transaction Law) or to any persons for re-offering or resale in Korea or to any resident of Korea (as defined under the Foreign Exchange Transaction Act of Korea and its enforcement decree), except as permitted under the applicable laws and regulations of Korea.

Furthermore, Notes may not be offered, sold or delivered, directly or indirectly, in Korea or to any resident of Korea for a period of one (1) year from the date of issuance of the Notes, except as otherwise permitted by applicable Korean laws and regulations.

Singapore

This Terms Sheet and any other materials relating to the Notes have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore (the **MAS**). Accordingly, this Terms Sheet and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Notes, may not be issued, circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the **SFA**)) pursuant to Section 274 of the SFA, (b) to a relevant person (as

defined in Section 275(2) of the SFA pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- A. to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- B. where no consideration is or will be given for the transfer;
- C. where the transfer is by operation of law;
- D. as specified in Section 276(7) of the SFA; or
- E. as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any person who may be in doubt as to the restrictions set out in the SFA or the laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Notes or any interest therein or rights in respect thereof and the consequences arising from a contravention thereof should consult his own professional advisers and should make his own inquiries as to the laws, regulations and directives in force or applicable in any particular jurisdiction at any relevant time.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the CMP Regulations 2018), ASB has determined, and hereby notifies all relevant persons as defined in Section 309A(1) of the SFA, unless otherwise specified before an offer of Notes, that the Notes to be issued are classified as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

No offer or sale of Notes in the United States

This Terms Sheet (including any electronic copy) may not be distributed, in whole or in part, in the United States. The Notes have not been, and will not be, registered under the US Securities Act of 1933, as amended (the **US Securities Act**) or the securities laws of any state of the United States, and the Notes may not be offered or sold in the United States or to, or for the account or the benefit of, US persons (within the meaning of Regulation S under the US Securities Act) unless an exemption from the registration requirements of the US Securities Act is available and in accordance with all applicable securities laws of any state of the United States. The Notes are being offered and sold solely outside the United States to persons that are not U.S. persons in reliance on Regulation S under the US Securities Act.

Role of the Lead Manager

This Terms Sheet does not constitute a recommendation by the Lead Manager or any of its respective directors, officers, employees, agents or advisers to subscribe for, or purchase, any Notes.

The role of the Lead Manager in relation to the offer is solely to provide assistance to ASB with arranging the offer, organising the bookbuild, assisting with the quotation of the Notes on the NZX, and assisting with the marketing and distribution of the Notes.

You must make your own independent investigation and assessment of the financial condition and affairs of ASB before deciding whether or not to apply for the Notes.

Address Details

Issuer

ASB Bank Limited
Level 2, ASB North Wharf
12 Jellicoe Street
Auckland 1010

Lead Manager

Commonwealth Bank of Australia
Level 2, ASB North Wharf
12 Jellicoe Street
Auckland 1010

Registrar

Computershare Investor Services Limited
Level 2, 159 Hurstmere Road
Takapuna, Auckland 0622
Private Bag 92119
Auckland 1142